



The traditional organizational structures and processes of government agencies have been put under the microscope due to tight funds and the growing demands of citizens. Government agencies can add modern, double-entry bookkeeping methods to increase cost transparency and targeted control to their core, existing instruments for fiscal accounting.

SAP Solution Brief

FINANCIAL ACCOUNTING AND FUNDS MANAGEMENT

A NEW DUAL APPROACH FOR FISCAL AND COMMERCIAL ACCOUNTING

The combination of fiscal accounting and double-entry bookkeeping in mySAP™ Public Sector provides a powerful solution that meets the fiscal demands of classic budgetary accounting. It enhances the performance of your financial system for cost and performance accounting, double-entry bookkeeping with balance sheets, and profit and loss accounting. The comprehensive integration of the accounting systems guarantees an open flow of information without multiple entries. You can tailor a combination of fiscal and double-entry functions according to your own requirements. In comparison to fiscal accounting, double-entry financial accounting and controlling in mySAP Public Sector provides primary information on costs and revenues. mySAP Public Sector opens the door to a seamless transition to dual accounting, whether your organization is focusing on fiscal or business accounting standards.

FUNDS MANAGEMENT WITH ACTIVE AVAILABILITY CONTROLS

The mySAP Public Sector solution plans and controls the flow of revenues and expenditures, guides you through planning and creating budgets, and uses active availability control to monitor management appropriation. Funds management capabilities simplify the design of budget plans using special planning techniques and make it possible to differentiate provisional budget plans. The solution supports centralized and decentralized planning and budget execution of funds.

IDENTIFY POSTING LIMITS IMMEDIATELY

Within budget execution, the solution provides the data for passive availability control (PVC) in the form of budget monitoring lists. Active availability control (AVC) displays budget limits, taking cover eligibility into account when posting documents. You can define several statuses by using tolerances for AVC that you define individually.

The SAP® funds management solution is comprehensive, with:

- Control and management of earmarked funds and funds blocking
- Workflow support for requests processing
- Procedures for year-end closing
- Management of funds from secondary sources
- Functional coverage of cash accounting tasks

HIGH-PERFORMANCE REPORTING

The solution provides high-performance reporting. Easy-to-use functions for navigating the data ensures transparency, a constant overview of all aggregation levels, and access to original business transactions.

SIMULTANEOUS OR STAGGERED APPLICATION ACCOUNTING METHODS

The funds management tasks enhance the advanced functions of financials accounting for modern business accounting. There are no limits on how you can use the funds management capabilities. They can be used simultaneously for fiscal accounting or started at different intervals.

Numerous, fully automated processes reduce the amount of manual editing and make routine activities easier. The general ledger acts as an integrated checkpoint for all business transactions in this process and has a central role in double-entry bookkeeping.

Financial accounting, as a central processor, aggregates all value data of an organization. The financial information system builds on this comprehensive data and permits all types of evaluations and financial statement analysis. This means that financial accounting develops a solid basis for business-oriented management decision making.

HIGHLY FLEXIBLE EVALUATION OF FIXED ASSETS

One of the essential tasks of financial accounting is the recording and management of fixed assets. You can track the entire life cycle of complex fixed assets using flexible depreciation and valuation methods, and you can use depreciation keys to represent all required depreciation methods. Integrated posting simulation provides a preview of future depreciation. The solution simplifies the process of adding assets by using an asset class system and automatic substitution rules.

THE KEY: INTEGRATION

Funds management is an integral part of mySAP Public Sector, bringing you up-to-the-minute information on funds commitments resulting from purchase orders (through materials management). By integrating materials management and funds management capabilities, you can access information from the procurement processes and warehouse management relevant to funds management. Accounting transactions are posted to funds management in such a way that you can keep track of all processes from down payments, invoices, and payment clearings.

Commitment management reporting enables you to monitor various funds commitments and determine how much of your budget has been consumed by using a budgeted-actual comparison. Asset management transactions that affect the budget are also reflected in funds management.

mySAP Public Sector offers state-of-the-art business and technological applications. Within mySAP Public Sector, you can use additional functions to modernize and optimize your management processes. For example, you can use parked budget documents and funds commitment documents supported by workflow to send these documents through the required authorization levels. Special functions ensure that fiscal and commercial accounting are perfectly synchronized and multiple accounting methods are possible. Extensive and flexible procedures support the preparation for and execution of the fiscal year-end tasks. You can also make full use of the Internet and your agency intranet. As a result, the creation of budget documents or funds precommitments are fully Internet-enabled.



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The mySAP.com e-business platform is a family of solutions and services that empowers organizations and individuals to collaborate successfully – anywhere, anytime. The business

solutions provided by mySAP.com enable any organization, regardless of size, to run its business more efficiently and productively, and to gain significant competitive advantage in today's economy. mySAP.com is based on an open, flexible, collaborative services architecture that supports both SAP and non-SAP systems.

mySAP.com creates value by allowing quick response to new business opportunities and by reducing costs, enabling companies to collaborate, integrate, and empower themselves for business success.